Sec.

802. Copyright Royalty Judgeships; staff. Proceedings of Copyright Royalty Judges. 803

Institution of proceedings. 805.

General rule for voluntarily negotiated agree-

## PRIOR PROVISIONS

This chapter consisted of sections 801 to 803, related to proceedings by copyright arbitration royalty panels, prior to being amended generally by Pub. L. 108-419.

## AMENDMENTS

2004—Pub. L. 108-419, §3(a), Nov. 30, 2004, 118 Stat. 2341, amended chapter heading and analysis generally, substituting chapter heading and items 801 to 805 for chapter heading "COPYRIGHT ARBITRATION ROYALTY PANELS", and items 801 "Copyright arbitration royalty panels: Establishment and purpose", 802 "Membership and proceedings of copyright arbitration royalty panels", and 803 "Institution and conclusion of proceedings".

1997—Pub. L. 105–80, §12(a)(18), Nov. 13, 1997, 111 Stat. 1535, substituted "Establishment" for "establishment" in item 801.

1993-Pub. L. 103-198, §2(f), Dec. 17, 1993, 107 Stat. 2308, amended table of sections generally, substituting chapter heading and items 801 to 803 for chapter heading "COPYRIGHT ROYALTY TRIBUNAL", item 801 "Copyright Royalty Tribunal: Establishment and purpose", item 802 "Membership of the Tribunal", item 804 Institution and conclusion of proceedings", item 805 "Staff of the Tribunal", item 806 "Administrative support of the Tribunal", item 807 "Deduction of costs of proceedings", item 808 "Reports", item 809 "Effective date of final determinations", and item 810 "Judicial

Pub. L. 103-198, §2(c), Dec. 17, 1993, 107 Stat. 2307, struck out item 803 "Procedures of the Tribunal."

## §801. Copyright Royalty Judges; appointment and functions

- (a) APPOINTMENT.—The Librarian of Congress shall appoint 3 full-time Copyright Royalty Judges, and shall appoint 1 of the 3 as the Chief Copyright Royalty Judge. The Librarian shall make appointments to such positions after consultation with the Register of Copyrights.
- (b) Functions.—Subject to the provisions of this chapter, the functions of the Copyright Royalty Judges shall be as follows:
  - (1) To make determinations and adjustments of reasonable terms and rates of royalty payments as provided in sections 112(e), 114, 115, 116, 118, 119, and 1004. The rates applicable under sections 114(f)(1)(B), 115, and 116 shall be calculated to achieve the following objectives:
    - (A) To maximize the availability of creative works to the public.
    - (B) To afford the copyright owner a fair return for his or her creative work and the copyright user a fair income under existing economic conditions.
    - (C) To reflect the relative roles of the copyright owner and the copyright user in the product made available to the public with respect to relative creative contribution, technological contribution, capital investment, cost, risk, and contribution to the opening of new markets for creative expression and media for their communication.
    - (D) To minimize any disruptive impact on the structure of the industries involved and on generally prevailing industry practices.
  - (2) To make determinations concerning the adjustment of the copyright royalty rates

under section 111 solely in accordance with the following provisions:

- The rates established by section 111(d)(1)(B) may be adjusted to reflect—
  - (i) national monetary inflation or defla-
  - (ii) changes in the average rates charged cable subscribers for the basic service of providing secondary transmissions maintain the real constant dollar level of the royalty fee per subscriber which existed as of the date of October 19, 1976,

except that—

- (I) if the average rates charged cable system subscribers for the basic service of providing secondary transmissions are changed so that the average rates exceed national monetary inflation, no change in the rates established by section 111(d)(1)(B) shall be permitted; and
- (II) no increase in the royalty fee shall be permitted based on any reduction in the average number of distant signal equivalents per subscriber.

The Copyright Royalty Judges may consider all factors relating to the maintenance of such level of payments, including, as an extenuating factor, whether the industry has been restrained by subscriber rate regulating authorities from increasing the rates for the basic service of providing secondary transmissions.

- (B) In the event that the rules and regulations of the Federal Communications Commission are amended at any time after April 15, 1976, to permit the carriage by cable systems of additional television broadcast signals beyond the local service area of the primary transmitters of such signals, the royalty rates established by section 111(d)(1)(B) may be adjusted to ensure that the rates for the additional distant signal equivalents resulting from such carriage are reasonable in the light of the changes effected by the amendment to such rules and regulations. In determining the reasonableness of rates proposed following an amendment of Federal Communications Commission rules and regulations, the Copyright Royalty Judges shall consider, among other factors, the economic impact on copyright owners and users; except that no adjustment in royalty rates shall be made under this subparagraph with respect to any distant signal equivalent or fraction thereof represented by-
  - (i) carriage of any signal permitted under the rules and regulations of the Federal Communications Commission in effect on April 15, 1976, or the carriage of a signal of the same type (that is, independent, network, or noncommercial educational) substituted for such permitted signal; or
  - (ii) a television broadcast signal first carried after April 15, 1976, pursuant to an individual waiver of the rules and regulations of the Federal Communications Commission, as such rules and regulations were in effect on April 15, 1976.
- (C) In the event of any change in the rules and regulations of the Federal Communica-